



United States  
Department of  
Agriculture

Office of the Chief  
Financial Officer

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Washington, DC  
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**DATE:** July 20, 2009

**TO:** Agency Chief Financial Officers

**FROM:** John G. Brewer  
Associate Chief Financial Officer, Financial Operations

A handwritten signature in black ink, reading "John G. Brewer", is written over the printed name and title of the sender.

**SUBJECT: Suspense "F" Account Discontinuance and Waiver Policy**

The purpose of this memorandum is to convey the position of the Office of the Chief Financial Officer (OCFO) on the Financial Management Service (FMS) Treasury Financial Manual (TFM) Bulletin No. 2007-07, *Suspense "F" Account Discontinuance and Waiver Policy* issued June 20, 2007. The TFM bulletin was to inform Agencies of the discontinuance of suspense accounts: F3875—Budget Clearing Account and F3885—Undistributed Intragovernmental Payments. It also provided guidance for submitting written waiver requests.

The OCFO supports the decision by FMS to discontinue suspense accounts in an effort to have more accurate financial information on a timely basis. In order to accomplish this, agencies must classify transactions to the proper Treasury Account Symbol (TAS) at the time the transaction is executed as required by the TFM Bulletin. A waiver inhibits revised business processes and system enhancements necessary to achieve increased accuracy and it suspends the full implementation of a real-time Government-Wide Accounting (GWA).

In accordance with TFM Bulletin No. 2007-07, USDA discontinued use of F3875 and F3885 on FMS 224: *Statement of Transactions* reports effective July 31, 2008, except to reclassify transactions that were recorded prior to August 1, 2008. As of February 28, 2009, all transactions recorded prior to August 1, 2008 were cleared and USDA balances in FMS' records for F3875 and F3885 suspense accounts were zero.

The decision to discontinue use of suspense accounts for FMS 224 reporting does not affect the current accounting and reconciliation of collections and Intragovernmental Payment and Collection (IPAC) transactions. Collections and IPAC transactions without a proper TAS will continue to be recorded in the Foundation Financial Information System (FFIS) general ledger accounts 1015, Non-224 Cash and 2400, Liability for Nonfiduciary Deposit Funds, Clearing Accounts and Undeposited Collections until destination accounting is confirmed and we can accurately report to FMS using the proper TAS. The Aged Report of Unprocessed IPAC Transactions will continue to be available from the NFC

Reporting Center. FMS 6652: *Statement of Differences* amounts caused by transactions with an unidentified or improper TAS must be kept to a minimum.

The differences between Fund Balance with Treasury as reflected in the general ledger account 1015 and the balance in FMS accounts will be disclosed annually in the notes to the financial statements, in accordance with OMB Circular A-136, *Financial Reporting Requirements*.